

INFRASTRUCTURE INVESTMENT AND JOBS ACT



IIJA Hazardous Fuels Management

08801-0001-21(IN1) – July 2023

On November 15, 2021, the Infrastructure Investment and Jobs Act (IIJA) was signed into law as an investment in the nation's infrastructure and competitiveness.¹ IIJA provided \$5.5 billion to reduce wildfire risk; restore healthy, productive forests; and improve environmental, recreational, and economic infrastructure. In support of wildfire risk reduction, \$514 million of this funding was appropriated for hazardous fuels management activities, creating incentives for increased use of biomass, and implementation of the Tribal Forest Protection Act (TFPA).^{2, 3} As part of the Office of Inspector General's (OIG) oversight responsibility, we are promoting transparency by issuing this informational report to share program information and identify how Forest Service (FS) plans to use the IIJA funding.

The USDA FS' mission is to sustain the health, diversity, and productivity of the nation's forests and grasslands. FS manages more than 193 million acres of public land, and an estimated 63 million acres are at high risk of ecologically destructive wildland fire.

Treating hazardous fuels is critical to wildfire management. Hazardous fuels are excess woody materials on the ground or in the forest understory or canopy that can increase the severity of fire. According to an FS official, hazardous fuels management aims to create a resilient forest structure by reducing flammable vegetation, establishing fire-adapted ecosystems, and creating a safe and effective response to fires. However, a buildup of fuels across landscapes and denser, more expansive forests, combined with increasingly warmer and drier weather, have resulted in prolonged, more severe wildfire seasons. Once a fire occurs, hazardous fuels can threaten communities, water resources, recreation areas, and ecosystem health and timber.

To reduce the risk associated with hazardous fuels, FS conducts activities such as:

- Mechanical treatments, including thinning and timber harvesting;
- Prescribed fires; and
- Installation of fuel breaks.



Figure 1: Machinery in use to move several trees. USDA photo by Lance Cheung.

Key Terms

Biomass is any agricultural or plant waste; byproduct of wood or paper mill operations, including lignin in spent pulping liquors; and other products of forestry maintenance.

Fuels are plants, both living and dead, and woody vegetative materials capable of burning.

A **fuel break** is a natural or manmade change in fuel characteristics, which affects fire behavior so fires burning into them can be more readily controlled.

Mechanical treatments are aimed at reducing the risk of wildfire, including commercial timber harvesting, thinning of smaller trees, and manipulative processes that reduce ladder and surface fuels by redistributing, compacting, or burning them (such as chipping, mastication, and pile and burn).

Prescribed fires, also known as prescribed burns, refers to the controlled application of fire by a team of fire experts under specified weather conditions to restore health to ecosystems that depend on fire.

Thinning is an operation to remove stems from a forest for the purpose of reducing fuel, maintaining stand vigor, regulating stand density/composition, or for other resources benefits. Although thinning can result in commercial products, thinning generally refers to noncommercial operations.

¹ Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat. 429 (2021).

² Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat. 1408 (2021).

³ Tribal Forest Protection Act, Pub. L. No. 108-278, 118 Stat. 868 (2004).



Figure 2: Slash pile burning in a forest. Slash piles are the result of forest restoration efforts, and the goal of burning them is to further reduce fuels that could feed high-intensity

In 2022, FS initiated the [Wildfire Crisis Strategy](#), a 10-year strategy to address the wildfire crisis in places with a high likelihood that an ignition could expose homes, communities, and infrastructure to wildfire.⁴ Using this strategy, the agency will work to address wildfire risks to critical infrastructure, protect communities, and make forests more resilient.

In addition to these hazardous fuels management activities discussed above, IJA directed FS to make grants available to create incentives to increase the use of biomass. FS' Wood Innovations Grant Program seeks to advance wood energy markets and increase manufacturing capacity for wood products. Through FS' Community Wood Grant Program, FS funds the cost of installing thermally led wood energy systems or building innovative wood product manufacturing facilities. Both of these programs expand and retrofit wood energy systems and wood products manufacturing facilities while improving forest health and reducing wildfire risk.

IJA also directed FS to invest in projects to support TFPA. TFPA was passed in July 2004 in response to catastrophic wildfires. It allows Federally recognized tribes to propose projects and enter into agreements that protect their rights, lands, communities, and resources managed by FS and the Department of the Interior's Bureau of Land Management (BLM). This act aims to reduce threats from wildfire, insects, and disease on FS- or BLM-administered lands adjacent to or bordering Indian trust land. Tribes can offer FS and BLM strategies and solutions to reduce fuel load, lessen the impacts of fires, and restore forest health.

Funding

According to FS, IJA hazardous fuels management investments will support reducing wildfire risk at a scale that will sustain and restore healthy, resilient fire-adapted forests. IJA provided FS with \$514 million for fiscal years (FY) 2022 through 2026 to conduct hazardous fuels management activities.

FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	TOTAL
• \$102.8 million	• \$102.8 million	• \$102.8 million	• \$102.8 million	• \$102.8 million	• \$514 million

Figure 3: IJA hazardous fuels management funding for each fiscal year, 2022 through 2026.

⁴ For more information about hazardous fuels management and the Wildfire Crisis Strategy, refer to the USDA FS video. The link in the text will direct you to the video on FS' public YouTube channel, <https://www.youtube.com/watch?v=s5wG3UcypP4>, last visited on February 15, 2023.

IIJA appropriated funding in each fiscal year to:

- Plan and conduct hazardous fuels projects and related activities.
- Create incentives for increased use of biomass.
- Implement TFPA projects.

IIJA required that FS provide one-half of 1 percent of the funds made available, totaling \$514,000, to OIG for oversight. In addition, IIJA provided that funds may be transferred to the Department of the Interior's United States Fish and Wildlife Service and the Department of Commerce's National Marine Fisheries Service for Endangered Species Act (ESA) consultations.^{5, 6} According to FS, of the \$102.8 million available in FY 2022, the agency planned to transfer more than \$32.4 million for Salaries and Expenses and FS Operations and allocate more than \$69.8 million in hazardous fuels management program funds to carry out the activities mentioned above.⁷

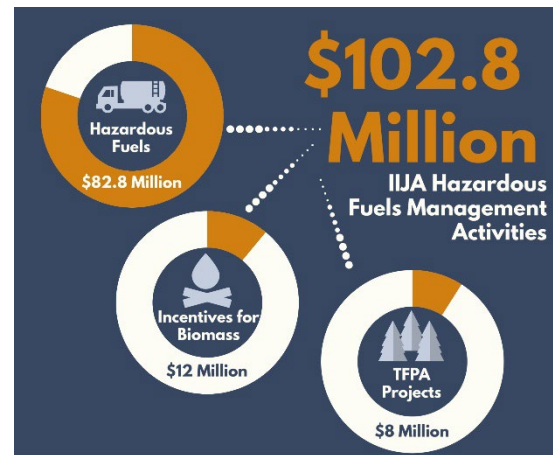


Figure 4: FS' FY 2022 funding allocations for the hazardous fuels management authorized activities: hazardous fuels projects, incentives for biomass, and TFPA projects.

Forest Service's Fiscal Year 2022 Infrastructure Investment and Jobs Act Hazardous Fuels Management Funding Plans

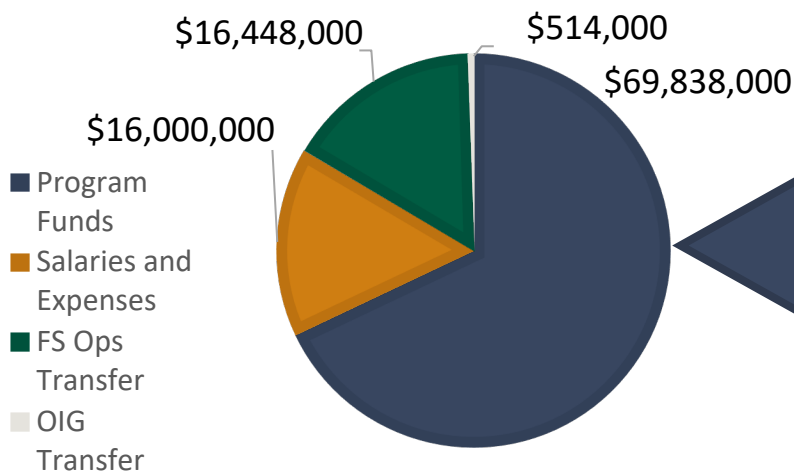
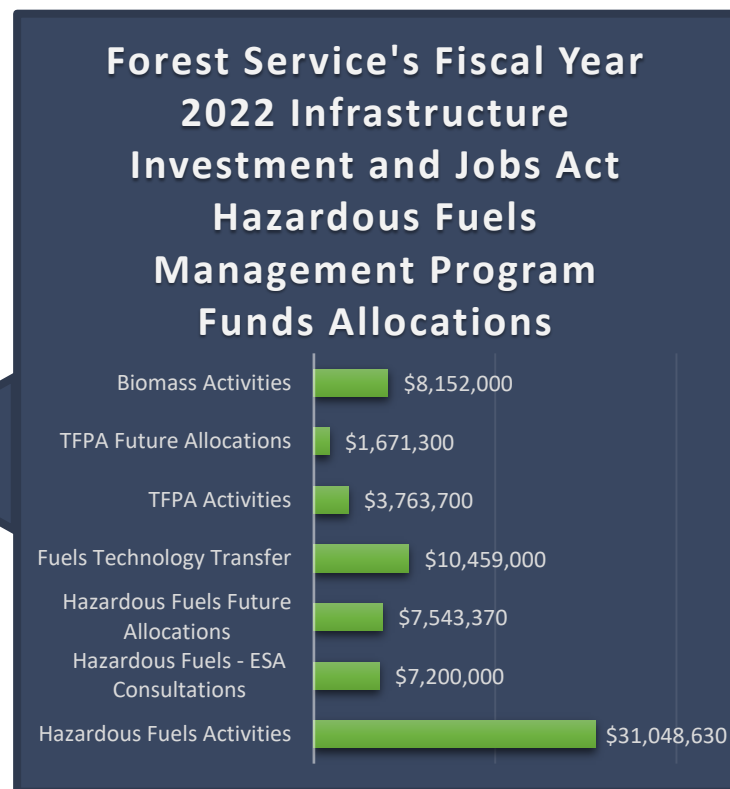


Figure 5: Pie chart depicting FS' FY 2022 IIJA hazardous fuels management funding allocations. Bar graph depicting FS' FY 2022 IIJA hazardous fuels management program funds allocations, totaling \$69.838 million.



⁵ Endangered Species Act of 1973 (16 U.S.C. § 1531).

⁶ All numbers in Figure 5 are presented as determined by FS for planning purposes.

⁷ According to FS, the FS Operations transfer of \$16.448 million covers base salaries and expenses for administrative and general management support functions, facility maintenance and leases, information technology expenses, and other administrative support or organizational services. The \$16.000 million in additional salaries and expenses directly relates to hazardous fuels projects.

Objectives, Scope, and Methodology

We conducted this work as part of our ongoing inspection with the objective to conduct integrated oversight of the funding provided to FS' Hazardous Fuels Management Program by IIJA. Specifically, we plan to review program information for transparency and disclosure, perform data analytics on relative data sets for integrity and quality, inspect key aspects of the internal control environment, and review the implementation of the program.

This report provides information related to reviewing program information to promote transparency and disclosure. As part of this objective, we gained an understanding of hazardous fuels management activities and funding through a review of IIJA, FS hazardous fuels management documentation, and discussions with FS officials. This work covered IIJA hazardous fuels management activities and FS' FY 2022 IIJA hazardous fuels management funding plans. We performed our fieldwork remotely between November 2022 and June 2023. We provided a draft of this product to FS management for their review and technical comments. We have incorporated their comments into our report, as appropriate.

We are conducting this inspection in accordance with the Council of the Inspectors General on Integrity and Efficiency's Quality Standards for Inspection and Evaluation.

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